

On January 7 the Hamburger Eight O'Clock Evening Post carried a short venomous article on Boudreau, saying in essence that Boudreau was known to have misappropriated funds which had been given to his organization by a foreign power for personal use. Also that he had been sent to a psychiatric clinic. This report was picked up by the Weser Kurier on 9 January practically verbatim. From there, it was picked up by Neues Deutschland on 12 January, official East Berlin organ of the SED, which headlined it "How Boudreau was put into the nut house." On 14 January, Boudreau, who had been on a lecture tour in Switzerland at the time, came flying to Berlin to exonerate himself and clear his name.

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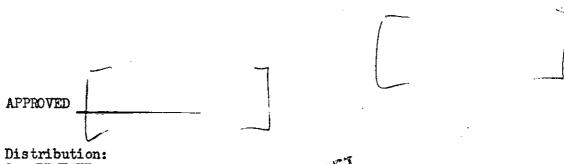
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- 2. It seems clear that the article referred to the meeting of the Board of Directors of the German-Russian Friendship Bund where the fact that Boudreau had taken money from BGHABIT was divulged to the eleven directors present. It is assumed that the leak to the press came from this meeting and I particularly suspect Karl Heinz EWERS, a very ambitious student who is a member of the Berlin QKOPERA office, a wheel in the Amt für Gesamtdeutsche Studentenfragen and member of the German-Russian Bund.
- 3. A number of more or less heated subsequent conferences between Boudreau. during which Boudreau had to be granted the right for Newham, Martini and his return to WSCORNI contrary to the Agreement reached past November, but during which ways and means had to be found not to get him involved in DTLINEN operations again. It was pointed out to him that on l4 January, a few hours before his arrival, Newham broadcast a message over RIAS to the East Zone, a photostat of which is attached.
- This\_did not satisfy Boudreau and after unending wranglings, Newham concurrence, agreed to appear jointly billed at two mass meetings to be held in Western Germany. Boudreau insisted that one of these meetings be held in Hamburg. This was finally agreed to and the two meetings took place on 27 January in Uelzen under the theme "The mission of the refugees in the West German Republic"; the other on 28 January in Hamburg under the theme "The European obligation of the citizens." (Since only one copy of the posters advertising these meetings is available, please forward to the Home Office.)
- 5. Newham reports the following results of these two meetings. Mass meeting in Velzen: arranged by DTLINEN in close cooperation with local refugee organization; held in the ballroom of a local Gasthaus which, with a capacity of 350, was crowded to overflowing by approximately 500 people. Newham reported that both speakers were acclaimed by all present and the meeting was thrown open to discussions and questions which lasted two hours after the official

closing of the meeting. This necessitated Newham's making two additional non-scheduled speeches. DPA carried a press report on this meeting.

Mass meeting in Hamburg: organized by the "Gesellschaft für Bürgerrechte," widely advertised through posting of bills and also individual invitations mailed out to all local personalities and member of the Hamburger Deutschland Bund. The meeting took place at the hall of the San Petri Church, holding 350 people, also overcrowded to almost 500. Anticipated Commie disturbances in Hamburg did not materialize, though all necessary precautions through police guards inside as well as outside, had been taken. Newham reports that the audience in Hamburg was very cool at the beginning of the meeting but warmed up considerably and that Boudreau particularly delivered an inspiring speech. Again the meeting was held over more than an hour after its official closing. A report of the meeting was carried by DPA and taken over from them by all Western German radio stations in their newscasts. A special report appeared in Die Welt and was reprinted in other local papers.

- 6. From all reports received, it seems that the purpose of these meetings was fully accomplished, and that Boudreau himself seemed to feel that his name had been cleared. He also stated to Newham his firm intention to retire completely from DTLINEN with the intention of building a career as an independent journalist. No official announcement of Boudreau's retirement from DTLINEN is contemplated for the time being, though it was agreed that he, in the future, would refer to himself as the "Founder of DTLINEN" and never as the leader. Boudreau did not return to Berlin and and does not intend to return except on occasional visits. His present program was to travel to Switzerland on 30 January in order to continue the cure for his liver ailment and give occasional lectures.
- 7. Financially speaking, Boudreau voluntarily waived any claim for continuance of his salary, though it was agreed that DTLINEN would continue to pay his alimony to his wife and pay the rent on his furnished room in WSCORNY and the modest salary of his housekeeper. This will amount to approximately 500 DM per month which, it was agreed, would be paid until a reasonable time had elapsed during which Boudreau would attempt to get back on his financial feet.
- 8. It is hoped that this will end the unpleasant relations between Boudreau and DTLINEN. It must be said that officially and privately, both organizations and people in WSCORNY are thoroughly through with him, a fact which was brought to his attention during his visit here. We hope that we shall not be faced with these difficulties again and that DTLINEN will now be able to go forth on a unified, concerted effort without Boudreau's interference.



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